G. R. S. IX-5]

Previous references.
Cts 123-13-76
Ml 55-4-76
Cts 180-15-2
Cts 145-13-2
~~Dob~~ -4-2
35-14-2
~~Later references~~
249-13-2
Cts. 86-20(1-2)

1915. 16
(Courts)

File No. 236-15
Serial Nos. 1-7

Preserve for 13/11/17

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1-7

Part B for Nov 16

SUBJECT.

Question of prosecuting the Directors of the Blood stock Club Ltd, for unauthorisedly keeping a lottery house

---

7) To The Reg^r. Joint Stock Co's in Mysore. J 1312 of 1910/16.

Request that suitable action may be taken, if the balance sheet, has as required by law, have not been submitted by the Directors

W D 88—GPB—50,000—24-7-16

25/11/16

(Informal)

(For disposal at a meeting)

No. C. 664

29/ 1916.

GENERAL AND REVENUE SECRETARIAT.

Council Matter.

SUBJECT.

Question of prosecuting the Directors of the Blood Stock Club Limited, for unauthorizedly keeping a lottery office.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

D. M. Narasinga Rao.

Secretary to Government.

2nd Septr., 1916.

Extraordinary Member of Council. 17. 9. 16.

27/9

First Member of Council. 3.9.

2.9.94

27.9.16

Second Member of Council. seen.

WD 2012—GPB—1 000—9-2-16

G.R.S. 11] 1915-16

GENERAL AND REVENUE SECRETARIAT.

(Courts)

NOTES.

File No. 236-15-

FILE HEADING.

Sanction to prosecute the Directors of the Company, styled "The Blood Stock Club Ltd" for unauthorized keeping a lottery office.

From

The D.G. of Police in Mysore

No. 217 C&D Dated 6.3.1916 Received 8.3.1916

Diary No. J245-3	Enclos. 3 Spare Copies.	Serial No. 1.

BRIEF ABSTRACT OF LETTER.

States that the Company is reported to have started a Lottery office apparently without the permission of Govt—asks Govt orders to prosecute the Directors who have rendered themselves liable under Sec 294 A I.P.C.

NOTES AND ORDERS.

M+R C455-12-6. -145-13-2

Subd 1)

Two cases in which Sanction was accorded to prosecute persons unauthorized kept a lottery office are put up. Whether such sanctions are to be allowed, enemies ignored connived at is discussed in the collec^ns put up.

N, I, J C5123-13 (Page 9) -249-13 (Page 2) -35-14 (Page 3).

It is understood that a similar case

NOTES—First Sheet.

GPE—35,000—15-6-12

Serial No.

in which Sanchin was sought to prosecute these that were running the Crown and Anchor" during the races was dealt with in Br IV. This may be sent there in that file being kindly put up.

List III
or list II - Sl 14

Reg.
9-3-1916 NL

GS
GS

T.S 11/3

L.T. nis 2190-15.

P
File returned to Br III
G/15/3.

2) Br IV)
The file referred to above, viz, Mul 180-15 Sl 182 is herewith put up.

11/3
16/3/16.
Branch III)

3) Subd.

Reg.
11/3/16

4) Forwarded to the Government Advocate for favour of opinion whether the question whether there is a good case for prosecution under S 294A of the Indian Penal Code.

By order
Bremridge
for Gen Secy

11/3

J. N.O. 44-15
13-3-16

13/3
11-20

NOTE—Contn. sheet.

2453

G. R. S. 12]

(9)

General and Revenue Secretariat. | 05 File No. 238 of 1915-16

Serial No.

U.O. 382/15-16 5) The facts reported disclose prima facie an offence under S 294 A. I.P.C. - Before however ordering the institution of any proceedings the Club maybe called upon to show cause why they should not be prosecuted for the apparent infringement of the law.

S. Sorabsumjee
S.V. 14.3.16.

Subs
16/3/16

6) Draft may be put up by
15/3

7) Draft Subd.
16/3.
15/3/16

8) Done
16/3

2 To The S.P. of Police
No 3712 17th: Mar: 1916

Requests that the Directors of the club maybe called upon to show cause why they should not be prosecuted and the result reported

NOTE—Contn. sheet.

GPB—70,000—17-12-15

General and Revenue Secretariat. | Ch File No. 236 of 1915.

Serial No.	
3.	From the D.G. of Police no 276/C.D. dt 27 April 1916 requesting the return of the enclosures to fl. 1.
	9) Subd with a draft returning. 29.4.16)
	10) Issue
4.	To the D.G. of Police Eg 29/4 and 4247 2nd. Mays. 1916 Forwards the enclosures as desired in the above.
5.	From the D.S. Police no 53/C.D.D dt 27/31. July 1916 States that the D.C. Bangalore held a detailed enquiry, ~~xxxxxxxxxx~~ that the persons mentioned were concerned in conducting the lotteries, that they plead ignorance of law and that it is enough if the penal provisions of the Companies Regn is enforced + the company would ~~be~~ left out
	11) Subd for order. 4.8.16)
	12) Technically an offence has been committed by the Directors and those who took part in the lottery, but the DG considers it inexpedient to prosecute the offenders, and recommends that action may be taken

NOTE—Contn. sheet.

(5)
5

G. R. S. 12]

General and Revenue Secretariat. | Cts. File No. 236 of 1915.

Serial No.

under the Companies Regulation. Ignorance of law is no excuse, and it is rather strange that the very persons who started the Co^y should say that they thought the permission had been obtained. The two ideas seem inconsistent. ✓

13) Submitted for orders

EB 4/8

Second Member)

1743. 4.8.16.

14) Consult the Govt. Advocate again, & then, if need be, the Regr of Jt. Stock Cos. (File to be treated as confdl)

5-8-16

OM 5/8

7/8

H.O. J. 12 of 16

8) 7-8-16

15) Forwarded to the Govt Advocate in Mysore for favour of opinion with reference to his note of the 14th March 1916

B.O.

E Srinivasaiyar

7/8

III/AW/12/8/16

(For Secy to Govt General Dept)

H.O. 7 of 16-17

16) The I. G. of Police in para 6 of his letter refers to the gentlemen therein named as having been Examined in detail. Their

NOTE—Contn. sheet.

GPB—70,000—17-12-15

evidence is not in the file: Perhaps the reference is only to the written statements filed by them.

17) From the written statements it is clear that the pleas are of a two fold character

(1) that tickets were intended for sale only to the members of the club & not to outsiders & it was therefore bona fide believed there was no infringement of law.

& (2) that it was understood that the permission of the D: Magte had been obtained on the assurance so given by the Directors particularly Messrs Watson & Brind.

18) Mr Brind & Mr Watson do not say that they gave such an assurance to the members & it is most unlikely that such an assurance would have been given by them seeing that they themselves plead that they bona fide believed they were not acting Contrary to law. This plea to my mind seems untenable

NOTE—Contn. sheet.

GPB—70,000—17-12-15

§ 264

(7

G. R. S. 12]

General and Revenue Secretariat.

Cb File No. 236 of 1915. 16

Serial No.

19) Then the only other question is whether ignorance of law is sufficient excuse. It is scarcely necessary to say that it is not.

20) In my opinion therefore speaking from a legal standpoint there is a fair case to go before the Court. It would seem that the Company was holding lotteries regularly since its formation & such illegal practices can be discouraged if not stopped only by a public prosecution in a case of this kind.

21) The Registrar of Joint Stock Companies can take action independently if there has been any default in filing annual balance sheets.

10.8.16.

Govt Advs

Cb 12/8

NOTE—Contn. sheet.

GPB—70,000—17-12-15

(8

General and Revenue Secretariat.

File No. 236 of 1915.

Serial No.

22) Subd with reference to para 14.

12.8.16

23) A prosecution by the Govt Advocate may, if approved, be ordered. If the accused are European British subjects, the prosecution has to be by a J.P. Action may also if approved be separately taken by the Regr of Joint-Stock Cos

1833
12.8.16

Secd Member

24) Draft-ques submit

25) Draft order put up. Mr Donne's name is not included in the draft as he is said to have withdrawn himself from the Directorate before any sweeps were drawn. It is a matter for consideration if Mr Jeremiah may not be prosecuted.

List III
(according to precedents put-up)

19.8.16

26) Draft-mag be approved

1938
19.8.16

Secd Member

NOTE—Contn. sheet.

}264

G. R. S. 12]

(9

General and Revenue Secretariat.

Cto File No. 236 of 1915.

Serial No.

27) Ahlad. May also be sent to the Dewan.

21 8 16

1119 22.8.16

Dewan)

Dairy of Rao 27/8 28/8

28) This is an important matter & may be discussed at a meeting of Council.

C.S. 30.8.16

cs 30/8 28/8

NOTE—Contn. sheet.

GPB—70,000—17-12-15

9

(26) 26½ (10)

SUBJECT.-(Outside the Schedule).

Question of prosecuting the Directors of the Blood Stock Club Ltd., for unauthorizedly keeping a lottery office.

OPINION OF THE COUNCIL.

29) The Director may be officially informed that their action in regard to lottery lends itself to criminal prosecution. In view of the lapse of time & the altered circumstances of the case Govt. need not resort to this extreme step: But a warning may be given to them. The matter coming under Sec 74 of the Companies Reg. Act of 1895 may be dealt with by the Registrar himself.

2/10

Draw W.M. 2.10

30) Submit draft to First member

Draw
3/10
GS 4/10

31) Two drafts put up
& 11/10/16)

32) For favour of approval
GS 11/10

First Member

33) Draft approved by the 1st Member.
Draw 14/10

12/X/16

34) Done GS 18/10

24)
12.10.16

/

9/11

Relates to sanction of Govt. to put up enlargements of photographs of retired Chief Justices in the H.C. 1961

GOVERNMENT OF MYSORE.

Mysore Government Secretariat

Requisition for papers

(191)
Clearance - 14/9/61
Supdt.
W. 62 (Contd.)

Section Cts.

A

B ✓

Filed

Deposit No.

File No. 231/15

Serial No. 2

To be put up Diary No. 5509 of 1961.

Signature A.V. Seetha Rama Rao

Branch GAD

Section S-II

Date 14/9/61

WD 03557—GPB—2,000 bks. of 100 pages each —9-9-53

G. R. S. 12]

General and Revenue Secretariat. | & File No. 236 of 1915.

Serial No.	
6--	To The Directors of the Blood Stock Co. Ltd. Bangalore.
	no J 1310 19th: Oct. 16
	Informs that their action in regard to lottery lands itself to a cr. Prosecution and that Govt do not resort to this extreme step and warns them that a repetition will not be similarly overlooked. To. The J.G.P. no J 1311. 19-10-16 Forwards copy of the above.
7	To The Registrar Joint Stock companies.
	no J 1312 19-10-1916
	States that the Directors have not submitted balance sheets and request that suitable action may be taken in the matter.

No. 217 C.I.D.
Encl. 3.

OFFICE OF THE INSPECTOR-GENERAL OF POLICE IN MYSORE,

Dated Bangalore, 6th Mar 1916.

From

Diwan Bahadur C. SRIKANTESVARA AIYAR, B.A., B.L.,
Inspector-General of Police in Mysore.

To

D. M. NARASINGA RAO, Esq., B.A., B.L.,
~~Officiating~~ Secretary to the Government of
His Highness the Maharaja of Mysore,
General Department.

J2458

15 16

Sir,

I have the honor to state that a concern by name "The Blood Stock Club Limited" situated at the Sankey's Road, Bangalore City having been registered under the Joint stock Company's Regulation, is reported to have started a lottery office apparently without permission from Government. A book containing tickets issued by the said Club is herein enclosed for reference.

2. Further Mr. Jeremiah Secretary to the Club in his statement before the Chief Inspector, Bangalore City has admitted that tickets for lotteries have been sold by the Club, that drawings have taken place and that prizes have been given thereunder.

3. The Club has thus departed from the aims and objects published in the Prospectus and Articles of Association, copies of which are also herewith submitted for reference.

4. These facts clearly disclose that the organizers of the Club have unauthorizedly started a lottery office. I therefore request that you may be so good as to obtain early orders of Government to prosecute the Directors etc of the Club, who have rendered themselves liable under

GPB—300—26-7-15

From The Inspector-General of Police in Mysore.

To The Secretary to the Government of H. H. the Maharaja of Mysore, General Dept.

Dated 6th March 191
Despatched
Received

General No. 217 Cr 3
No. C.I.D.

SUBJECT.

(B)

Section 294 A of the Indian Penal Code, with a view to prevent deception on the public.

I have the honor to be,
sir,
Your most obedient servant,

Sikand Varma

Inspector General of Police.

Re Sanction to prosecute the Directors of the Blood Stock Club

74

G. R. S. 26]

File No. 236-15

Serial No. 2

163

*Diary No. of letter replied to*_____

No. J 3712

General and Revenue Secretariat

( )

, *the* 191 .

To,

The D.G. of Police in Mysore

Date of issue 17th March, 1916

Sir,

Signed by Mr. C. Srinivasa Iyer

Adverting to your letter no. 217/C.I.D dy 6th Mar 1916 requesting Sanction of Govt to prosecute the Directors of the Blood Stock Club for an offence under Sec. 294A I.P.C., I am directed to request that the Club may be called upon to show cause why they should not be prosecuted for the apparent infringement of the law

O.N. over.

SUBJECT.

163

and the result reported to Govt

Please to

Sir V. D.

for see Govt

Govt dept.

leg. dept.
15/10/15

List of enclosures,

Copied by

Examined by

GPB—25,000—4-3-13

III/26/15

16

No. 276
C.I.D.

OFFICE OF THE INSPECTOR GENERAL OF POLICE IN MYSORE.

Encl.

Dated Bangalore, 27th April *191* 6

J 2833

From

Diwan Bahadur C. SRIKANTESVARA AIYAR, B.A., B.L., 236-15

Inspector General of Police in Mysore.

To

D. M. Narasinga Rao, Esquire, B.A., B.L.,
Secretary to the Government of His Highness
the Maharaja of Mysore, General Department.

Sir,

With reference to your No. J. 3712/Cts. 236-15-2 dated 17th March 1916 re the prosecution of the Directors of the Blood Stock Club Ltd., I have the honor to request the favor of the return of the book containing tickets issued by the said Club and alsc the other enclosures forwarded to you with this office No. 217/C.I.D. dated 6th March 1916 as the same are required for reference by the District Superintendent of Police, Bangalore.

I have the honor to be,

Sir,

Your most obedient servant,

Srikantaramaiya

Inspector General of Police.

lb

G. R. S. 26]

SUBJECT.....

.....

.....

*Diary No. of letter replied to*__ .....

Section Courts
File No. 236-15
Serial No. 4

General and Revenue Secretariat
( )
, *the* 191 .

No. 14247/En: three

Date of issue 2. 5. 1916

To The D.C. of Police

Signed by Mr. Cr. Sreenivasa Iyer

His letter no 276/C.D.DD 27 April 1916 requesting the returns of the book containing tickets issued by the Blood Stock Club Ltd and other enclosures forwarded with his letter no 217/C.D.DD. 6th March 16.

— X —

Has the honour to forward the enclosures as desired in the above.

B. O.

over.

29/4/16

29.4

for Secy

11 AM
2 AUG 1916

From

GPB—400—22-7-15

The Inspector-General of Police
in Mysore.

To

The Secretary to the Government of
H. H. the Maharaja of Mysore,
General Dept.

Dated 2/8

Despatched 5 pm

Received

General No.
No.

SUBJECT.

Re the prosecution of the Directors of the Blood Stock Co., Ltd., for an offence under Section 294 A, I.P.C., stating that the evidence for a prosecution does not appear to be convincing etc.

No. 53
C.J.D.
Encl. as per list enclosed.

OFFICE OF THE INSPECTOR-GENERAL OF POLICE IN MYSORE,

Dated Bangalore, 27th July *191* 6.
31st.

From

Diwan Bahadur C. SRIKANTESVARA AIYAR, B.A., B.L.,
Inspector-General of Police in Mysore.

DIARY No. J. 264

To

D. M. NARASINGA RAO, ESQ., B.A., B.L.,
~~Officiating~~ Secretary to the Government of
His Highness the Maharaja of Mysore,
General Department.

Sir,

With reference to your letter No. 3712/Cts. 236-15-2 dated the 17th March 1916, regarding the prosecution of the Directors of the Blood Stock Company Limited for an offence under Section 294 A, I.P.C., I have the honor to state that the Deputy Commissioner and District Magistrate, Bangalore District, had issued notices to the parties concerned and held a detailed enquiry into the matter, which has disclosed the following facts (Vide statements of the persons concerned enclosed).

2. The said Club was started and registered in the Office of the Registrar of Joint Stock Companies in Mysore, under the Mysore Companies Regulation III of 1895, on the 3rd November 1913. The promoters of the Club were Messrs. H. Donne, J. Watson and W. W. Brind, but Mr. Donne withdrew himself before the Club entered on its business. The following gentlemen have been its Directors during the periods noted against each.-

(1) Mr. J. Watson, from the very commencement and still continues so;

(2) Mr. W.W. Brind, from 17th November 1913 to 2nd May 1914;

(3) Mr. J.C. Midford, from 2nd November 1914 to 10th October 1915;

(4) Mr. D.J. Buckley, from 4th November 1914 to date;

(5) Mr. J. Ingle, from 10th October 1915, to date; and

(6) Mr. H.W. Coates, one of the prime movers, who was also Secretary, since deceased.

3. The Memorandum and Articles of Association of the Club was printed and published on 28th October 1913, its primary object being the purchase and sale of race horses on commission and the acquisition of property to promote it. Holding of lotteries does not find a place in the aims and objects of the Club. The Articles of Association deal with shares, calls, forfeitures, transfers and conversion of shares, powers of Directors etc. Even in this there is no mention of lotteries or any speculation.

4. The drawing of sweep stakes was mooted at the very first meeting of the Directors held on 18th November 1913, at which Messrs. J. Watson, W.W. Brind and H. W. Coates were present, and at their next meeting held on 20th December 1913, it was resolved that there should be a drawing for the Viceroy's Cup Sweep of that year.

5. Till now, there have been seven drawings, as detailed below.-

(1) The Viceroy's Cup Sweep, 1913;

(2) The Derby Cup Sweep, 1914;

(3) The Maharaja's Cup, 1915;

(4) The Bangalore Cup, 1915;

(5) The August Drawing, 1915;

(6) The October Drawing, 1915 and

(7) The Viceroy's Cup Sweep, 1916.

Tickets were sold for all the seven drawings in various places.

6. The marginally noted gentlemen were examined in detail.

(1) No lottery was held during the short period that Mr. Donne was associated with the Club, but he says that he understood that the District Magistrate's permission had been obtained to hold the drawings.

(2) Mr. Watson has taken part in all the 7 transactions, and says that he did not know that the holding of lotteries was an infringement of the law.

1. Mr. H. Donne
2. " J. Watson
3. " W.W. Brind
4. " F. C. Midford
5. " D. J. Buckley
6. " J. Ingle
7. " G.G. Jeremiah.

(3) Mr. Brind, who has taken part in 3 of the drawings, says in one of his statements that he knew nothing of the business and transactions of the Club, while in a subsequent statement admits that he was aware of this part of the business of the Club, but that be believed that what they were doing was not an infringement of the law.

(4) Mr. Midford, who has also taken part in 3 of the drawings, says that he had been assured by Messrs. Watson and Brind that the permission of the District Magistrate had been obtained for holding the lotteries.

(5) Mr. Buckley, who was connected with five drawings, says that he had also been told that the permission of the District magistrate had been obtained.

(6) Mr. Ingle, who has taken part in two of the drawings, does not say anything of the drawings.

(7) Mr. Jeremiah, who has been the Honorary Secretary of the Club from 3rd May 1915, is not an office bearer but has been only assisting in supervising Office work etc.

7. From this brief account of the history of the Club, it is apparent that lotteries have been held, but it would seem under a mistaken belief that they were either authorized or that it was not illegal to hold them, though one or two of the Directors, particularly Messrs. Watson and Brind would appear to have been the prime movers in this business.

8. Some account books were also examined, and several irregularities noticed. In fact, no clear accounts of the drawings have been maintained, and a regular audit thereof would perhaps be necessary.

9. There is, however, another aspect of the matter, and that is the Club has not filed, according to Section 74 of the Mysore Companies Regulation, with the Registrar of Joint Stock Companies, the balance sheets after the 31st December'13, when they submitted

their first balance sheet.

10. Under all circumstances of the case, the evidence for a prosecution under Section 294, A, I.P.C., at this distance of time and under the circumstances set forth above does not appear to be convincing. But the ends of justice would be met if action is taken against the Directors under the penal provisions of the Companies Regulation for failure to submit balance sheets etc, and the Club dissolved and wound up.

I have the honor to be,

Sir,

Your most obedient servant,

Inspector General of Police.

R.R.

"Draft" Director of the Blood Warning the Directors of the Blood Stock Co Ltd.

W/10

G. R. S. 26]

ets File No. 236-15

Serial No. 6

Diary No. of letter replied to .....

No. J 1310.

General and Revenue Secretariat

( )

, *the* 191 .

Date of issue 19th October 1916.

Signed by Mr. G. Sreenivasa Iyer

Confidential

To

The Directors of the Blood Stock Co Ltd. Bangalore.

Gentlemen

I am directed to state that it has been brought to the notice of Govt. that, without obtaining their sanction, you have kept a lottery house within the meaning of Sec 294 A of the Indian Penal Code and that your action in regard to it lends itself to a criminal prosecution. I am to inform you that Govt.

over.

SUBJECT.

have decided not to resort to
this extreme step in the present instance but I am to
warn you that a repetition
will not be similarly overlooked

I have &c.

for Secy

Memo No. J 1311 dt 19th October 1916.

A copy of the above's
letter is forwarded
to the D.C. of Police in Mysore with
reference to correspondence ending
with his letter No 53/C 1 dt 27 July 1916.
Enclosures read therein will be returned

B-O.

for Secy.

12/10

List of enclosures

Copied by

Examined by

GPB—20,000—10-10-14

Draft/NOL
Requesting the Registrar of J.S. Companies to take action under Sec 74 of the Repn—

G. R. S. 26]

1/6/16

File No. 236

Serial No.

Diary No. of letter replied to .....

No. J 1312.

General and Revenue Secretariat

( )

, *the* 191 .

To

The Registrar J.S. Companies in Jaffna

Date of issue 19th October 1916.

Signed by W. G. Sellamuttu Mudr.

Sir

I am directed to state that it is reported by the I.G. of Police in Jaffna that the Directors of the Blood Stock Company Ltd, Bangalow, have not submitted balance sheets &c as required by law. I am to request that suitable action under Sec 74 of the Companies Ordinance may, if necessary, be taken in the matter.

I have &c over.

12/10

SUBJECT.

Mr. 11/10

for further

11.10.16